

Internal Revenue Service Customer Satisfaction

balanced.measures@irs.gov

Working to Put Service First

- Employee Satisfaction
- Customer Satisfaction
- Business Results

WHAT CUSTOMERS TELL US

Taxpayers volunteered these comments on recent Customer Satisfaction surveys.

"Over the last few years, I have seen a sense of cooperation on IRS' part that was unheard of several years ago."

– From Employee Plans Determination survey.

"The agent was extremely helpful. He explained everything in terms that I could understand."

– From Appeals survey.

"Our auditor was courteous. She made me feel comfortable rather than intimidated."

– From Examination survey.

"Our IRS Collection counselor has tried to find positive ways for us to catch up with our taxes."

– From Collection survey.

"Many IRS terms are subject to the reader's misunderstanding them."

– From EP Determination survey.

"Please give me more materials in plain English that explain my rights, options, what the IRS can and cannot do, and where to go for more help if I need it."

– From Collection survey.

"After realizing that my mother had claimed me on her taxes, I was a little nervous. The examiner was very professional. She made me aware of the problem and explained to me how easy it was to fix. The professionalism made this a pleasurable experience. Thank you."

– From Service Center Examination survey.

Customer satisfaction with the IRS is increasing. The eleven satisfaction surveys summarized in this brochure are showing us we are heading in the right direction, and they are just the first step. These surveys are on-going and provided to the IRS every quarter. The surveys help executives, managers, and employees identify the primary areas where the IRS should focus its resources to make the biggest improvement in overall customer satisfaction. We will be surveying more of our customers in the near future, including our internal customers.

Summary of Yearly Comparisons: Overall Satisfaction Ratings

Function	Period of Survey Administration	Overall Satisfaction	Improved	Stayed the Same
Appeals	Year 2: Jan-Dec 99	4.82	✓	
	Year 1: Jan-Dec 98	4.44		
Collection	Year 2: Jan-Dec 99	4.62	✓	
	Year 1: Jan-Dec 98	3.89		
Employee Plans Determination	Year 2: Jan-Dec 99	5.56	✓	
	Year 1: Jan-Dec 98	5.47		
Employee Plans Examination	Year 2: Jan-Dec 99	5.64	✓	
	Year 1: Jan-Dec 98	5.37		
Examination	Year 2: Jan-Dec 99	4.41	✓	
	Year 1: Jan-Dec 98	4.08		
Exempt Organizations Determination	Year 2: Jan-Dec 99	5.57	✓	
	Year 1: Jan-Dec 98	5.29		
Exempt Organizations Examination	Year 2: Jan-Dec 99	5.61	✓	
	Year 1: Jan-Dec 98	5.48		
Service Center Examination	Year 2: Jan-Dec 99	4.01	✓	
	Year 1: Jan-Dec 98	3.87		
Walk-In	Year 2: Apr99-Mar 00	6.45	✓	
	Year 1: Apr98-Mar 99	6.43		
Toll-Free	Year 2: Apr99-Mar 00	3.46*		✓
	Year 1: Apr98-Mar 99	3.46*		
Automated Collection System	Year 2: Apr99-Mar 00	3.40*	✓	
	Year 1: Apr98-Mar 99	3.32*		

Overall Satisfaction Rating 1 (very dissatisfied) to 7 (very satisfied)

* Satisfaction scale of 1 (very dissatisfied) to 4 (very satisfied) for ACS and Toll-Free

We also use these surveys to identify areas for improvements that would make the greatest impact on our customers' level of satisfaction.

Examples of Improvement Opportunities Identified From IRS Customers

Toll-Free Call-In Centers

- Responsiveness of IRS
- Automated Answering System
- Ease of Getting Through by Phone

Walk-In Centers

- Listening to Your Concerns
- Convenience of Office Hours
- Effort made to Resolve Your Problem

Collection

- Fairness of Treatment
- Explanation of Taxpayer Rights
- Time Spent on Issue

From the IRS Customer Satisfaction Survey National Report for the sixth period of survey administration, produced January 2000.

Understand the customer's point of view and use this understanding to prevent and solve problems and provide quality service.

— IRS Modernization
Guiding Principle



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Internal Revenue Service

www.irs.gov

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Across all eleven surveys employee courtesy and professionalism consistently received the highest ratings.

— based on National Customer Satisfaction Survey Reports

WE ARE LISTENING

Largely in response to taxpayers' frustration, Congress passed the IRS Restructuring and Reform Act of 1998. This law gave us clear direction:

Do a better job in meeting the needs of taxpayers, measuring success by how we serve the taxpayers while continuing to collect the proper amount of taxes.

To collect taxpayer feedback, in 1998 we began conducting a series of customer surveys. The IRS hired an independent firm to conduct them. These surveys were designed to help identify where the IRS needs improvement.

Through these on-going surveys we try to identify customer opinions about our services, such as telephone call-in and walk-in service, and the collection, audit and appeals process. A sample of wage earners, professional tax preparers, company officials, and business owners are included in each survey. We received survey feedback from over 336,000 customers.

Surveys—like the one shown below—are mailed to a sample of customers, distributed at customer walk-in centers, or discussed during telephone calls.

Sample IRS Customer Satisfaction Survey

IRS Customer Satisfaction Survey

The IRS is trying to improve its service to the public. You can help in this important mission by answering the questions below. This voluntary survey takes about three minutes to complete. Simply fill in an appropriately numbered oval on a scale or fill in the oval next to the response that best applies to you.

1. The questions that follow ask your opinion regarding the processing of your most recent IRS exempt organizations determination letter request. For each question, regardless of whether you agree or disagree with the final outcome, please indicate your opinion by marking a number from 1 to 7, where 1 means "Very Dissatisfied" and 7 means "Very Satisfied"

	Very Dissatisfied			Very Satisfied			Don't Know	Not Applicable
	1	2	3	4	5	6	7	
a) Explanation of your taxpayer rights.	<input type="radio"/>							
b) Explanation of the audit process.	<input type="radio"/>							
c) Courtesy of the auditor.	<input type="radio"/>							
d) Professionalism of the auditor.	<input type="radio"/>							

Taxpayers are asked to rate their interaction with the IRS on a scale of 1 (very dissatisfied) to 7 (very satisfied). The surveys seek feedback on

- How they were treated by IRS employees
- How well the IRS explained information, procedures, and taxpayer rights
- What they thought of the time it took to resolve their problem
- Taxpayers are asked also if they felt they were treated fairly.

WHAT WE ARE DOING

Many suggestions for improvements are being addressed through the IRS' Modernization program. Updated technology and information systems will help the IRS to respond more quickly to taxpayer questions.

To ensure accountability, customer satisfaction is now included in every executive's and manager's performance evaluation along with employee satisfaction and business results. Employee's performance elements will include achieving customer satisfaction.

Based on the information you are telling us, the IRS is conducting pilot projects throughout the country. These pilot projects look closely at customer suggestions to design innovative ways to improve service.

Pilot Projects Underway

Area of Service	Pilot Site/IRS Function
Fairness of treatment, listening to concerns, consideration of information	Southwest District/ Field Collection
Fairness of treatment	North Central District/ Examination
Explanation of taxpayer rights, explanation of amendments	Ohio District/ EP/EO Determinations
Length of process	Kansas City Service Center/ Service Center Examination

Note: originally four Service Centers were chosen as pilots, but Kansas City Service Center was selected as the primary site in this first round of pilots.

While many changes are in the pipeline, the IRS is proud of what it has accomplished already to make its service better:

- ✓ Expanded Web site, with tax forms and Frequently Asked Questions (FAQs) for many subjects
- ✓ Extended hours for the toll-free phone number (24/7 during filing season)
- ✓ Simplified, clearer forms, instructions, and letters
- ✓ Checklists to accompany complex forms
- ✓ Active listening and communications training for auditors
- ✓ Clearly designated contact person and telephone numbers on correspondence
- ✓ Longer business hours at walk-in centers

We're making changes because of what we hear from you. And we'll keep improving with your suggestions.

A RENEWED FOCUS ON THE CUSTOMER

The IRS is sharpening its customer focus. We want to make it easier for customers to get the information they need and the service they want. We are changing how we measure our organizational performance. Our Balanced Measurement System gives equal priority to customer satisfaction, employee satisfaction, and business results. The focus is on the actions taken to address customer satisfaction, employee satisfaction and business results.

The IRS Balanced Measurement System



Customer Satisfaction

Provide accurate and professional service to internal and external customers in a courteous, timely manner

Business Results

Generate a productive quantity of work in a quality manner and provide outreach to all customers

Employee Satisfaction

Create an enabling environment for employees by providing quality leadership, adequate training, and effective support services

WHO OUR CUSTOMERS ARE

The IRS today deals directly with more Americans than many other institutions, public or private. We have more than 215 million customers - individual taxpayers, as well as companies and other organizations.

IRS Customer Profile

Customer Group	Profile
Wage and Investment Earners	More than 88 million returns filed, representing 116 million individuals.
Self-Employed Taxpayers/Small Businesses	45 million filers, who pay 40% of the total dollars collected by IRS.
Large and Mid-Sized Businesses	210,000 of the largest filers, including corporations with assets over \$5 million.
Tax-Exempt Organizations/Government Entities	Comprise 2.4 million tax-exempt filers, who generally pay no income tax, but pay over \$220 billion in other taxes.

Estimates from [Modernizing America's Tax Agency](#), January 2000.

Each group of filers has specific characteristics. Most of the returns from wage and investment earners result in refunds. Those falling in the self-employed and small business group generally have from four to 60 transactions with the IRS a year. Large and mid-size companies generally have even more complex dealings with the IRS, which is why they generally employ tax professionals. Tax Exempt/Government Entities customers range from small local community organizations and municipalities to major universities, pension funds, state governments and complex tax exempt bond deals.

OUR MISSION

Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.

We are shifting from an internal focus to a customer focus.

— Modernizing America's Tax Agency 2000.

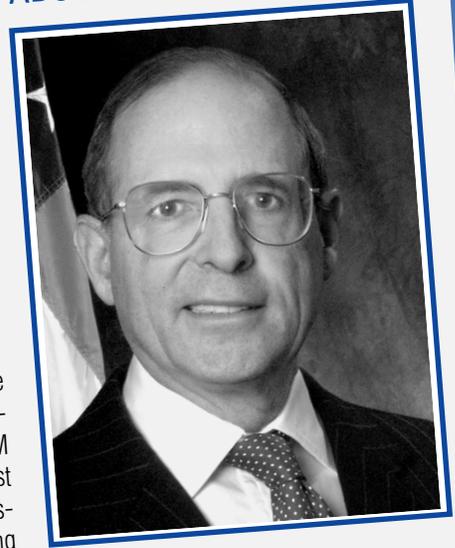
Only by meeting customers needs can we become a first-rate customer service organization.

TALKING WITH IRS COMMISSIONER CHARLES O. ROSSOTTI ABOUT THE NEW IRS

What is changing at the IRS?

We are modernizing the agency in major ways. We are adopting a new organizational structure that makes each part of the IRS clearly responsible for serving particular kinds of taxpayers, whether they are wage earners, small businesses, large corporations, or other groups of taxpayers with similar needs. We are also making a major investment in new technology, so we will be able to give taxpayers the prompt and efficient service they expect and deserve. At the same time, we are revamping our business practices so that our actions serve each taxpayer well. We are working hard to ensure taxpayers are getting through to the IRS for the answers they need.

You'll see many improvements over the next two years. Several improvements will provide enhanced electronic services to taxpayers. Already, 35 million taxpayers are filing electronically, millions are having their refunds deposited electronically. We created a CD-ROM especially for small businesses. The IRS web site, The Digital Daily, has already received almost 1.3 billion hits this year. We are also improving our telephone and walk-in service by increasing service availability at times and locations convenient to taxpayers. Finally, we are bringing customer satisfaction into the equation when we measure our progress. Now customer satisfaction, as well as business results and employee satisfaction, are measured to ensure a balance in the IRS.



What role do the Customer Satisfaction Surveys play in changes at the IRS?

Taxpayers have made it clear that they expect more from us in the way we serve them. These surveys are one tool we can use to better understand the taxpayer's perspective. They give us a snapshot of taxpayers' experiences and expectations and direct us where taxpayers want to see changes. They have identified to us areas needing improvement or additional emphasis such as the need to better explain certain processes and taxpayer rights to our customers. The surveys also highlighted taxpayer's demands for reducing processing time. Use of customer satisfaction surveys will increase in the new IRS, helping us to better meet taxpayer's expectations.

IRS FACTS AND FIGURES

- The IRS collects more than \$1.5 trillion in taxes and issues 88 million refunds.
- The IRS operates one of the most heavily used 800 numbers in the US. In the year 2000, working 24 hours a day, 7 days a week, the IRS will answer 120 million calls.
- Each year approximately 10 million people use the IRS walk-in centers to get answers to their tax questions.
- The IRS Web site had one billion hits in 1999.
- The IRS has approximately 100,000 employees.
- The number of returns filed electronically has risen to close to 30 million.
- There are currently 3,500 pages of Tax Code that the IRS is responsible for administering.
- Small businesses, which account for 53% of private sector jobs, make up the overwhelming percentage of business returns.

FOR MORE INFORMATION

There are many ways to get more information from or give comments to the IRS. You can visit the IRS Web site: www.irs.gov. You can write us at 1111 Constitution Avenue, NW, Washington, DC 20224.

We have additional survey information for specific customer groups (e.g., walk-in center customers, tax-exempt organizations, large and small businesses, call-ins). If you are interested in more detailed information about surveys or balanced measures, you can contact the Organizational Performance Division at Internal Revenue Service, 1111 Constitution Avenue, NW, Room 1136, Washington DC 20224 or e-mail us at balanced.measures@irs.gov.